

STATE OF CALIFORNIA  
**Budget Change Proposal - Cover Sheet**  
DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 2240	Department Housing and Community Development	Priority No. 2
Budget Request Name 2240-302-BCP-BR-2016-A1		Program <b>1665 – DIVISION OF FINANCIAL ASSISTANCE</b>	Subprogram N/A

**Budget Request Description**

Community Development Block Grant – National Disaster Resiliency Competition

**Budget Request Summary**

The Department of Housing and Community Development (HCD) requests an increase in federal state operations budget authority of \$422,000 and one position through 2020-21 to administer the federal Community Development Block Grant Program for National Disaster Resiliency funding.

The position and funding authority will enable HCD and partner agencies to carry out projects awarded to California under the National Disaster Resiliency Competition. Local assistance awards are planned for current year in order to meet the expenditure deadlines established by the U.S. Department of Housing and Urban Development for this grant program.

HCD has submitted a budget Control Section 28.00 letter to augment its federal funding authority and begin making awards.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

☐ FSR ☐ SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By Daniel Castillo <i>DC</i>	Date 2/4/2016	Reviewed By Dave O'Toole <i>DO</i>	Date 3-8-16
Department Director Ben Metcalf <i>BM</i>	Date 3/8/16	Agency Secretary <i>AS</i>	Date 3-15-16

**Department of Finance Use Only**

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☒ Workload Budget per Government Code 13308.05

PPBA <i>Mary Holt</i>	Date submitted to the Legislature 4/1/16
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## BCP Fiscal Detail Sheet

BCP Title: Community Development Block Grant - National Disaster Resiliency Competition

DP Name: 2240-302-BCP-DP-2016-A1

### Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.3	1.0	1.0	1.0	1.0	1.0
<b>Total Positions</b>	<b>0.3</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
Salaries and Wages						
Earnings - Permanent	16	65	65	65	65	33
<b>Total Salaries and Wages</b>	<b>\$16</b>	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>	<b>\$33</b>
Total Staff Benefits	8	30	30	30	30	15
<b>Total Personal Services</b>	<b>\$24</b>	<b>\$95</b>	<b>\$95</b>	<b>\$95</b>	<b>\$95</b>	<b>\$48</b>
Operating Expenses and Equipment						
5301 - General Expense	1	2	2	2	2	2
5302 - Printing	0	1	1	1	1	0
5304 - Communications	1	1	1	1	1	1
5306 - Postage	0	1	1	1	1	0
5320 - Travel: In-State	1	2	2	2	2	1
5322 - Training	0	1	1	1	1	0
5340 - Consulting and Professional Services						
- External	90	0	0	0	0	0
5340 - Consulting and Professional Services						
- Interdepartmental	49,592	300	300	188	49	0
5342 - Departmental Services	5	16	16	16	16	5
5344 - Consolidated Data Centers	0	1	1	1	1	1
5346 - Information Technology	1	2	2	2	2	2
54XX - Special Items of Expense	19,261	0	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$68,952</b>	<b>\$327</b>	<b>\$327</b>	<b>\$215</b>	<b>\$76</b>	<b>\$12</b>
<b>Total Budget Request</b>	<b>\$68,976</b>	<b>\$422</b>	<b>\$422</b>	<b>\$310</b>	<b>\$171</b>	<b>\$60</b>

### Fund Summary

Fund Source - State Operations						
0890 - Federal Trust Fund	49,715	422	422	310	171	60
<b>Total State Operations Expenditures</b>	<b>\$49,715</b>	<b>\$422</b>	<b>\$422</b>	<b>\$310</b>	<b>\$171</b>	<b>\$60</b>
Fund Source - Local Assistance						
0890 - Federal Trust Fund	19,261	0	0	0	0	0
<b>Total Local Assistance Expenditures</b>	<b>\$19,261</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total All Funds</b>	<b>\$68,976</b>	<b>\$422</b>	<b>\$422</b>	<b>\$310</b>	<b>\$171</b>	<b>\$60</b>

### Program Summary

Program Funding						
1665 - Financial Assistance Program	68,976	422	422	310	171	60
<b>Total All Programs</b>	<b>\$68,976</b>	<b>\$422</b>	<b>\$422</b>	<b>\$310</b>	<b>\$171</b>	<b>\$60</b>

**Personal Services Details**

Positions	Salary Information			<u>CY</u>	<u>BY</u>	<u>BY+1</u>	<u>BY+2</u>	<u>BY+3</u>	<u>BY+4</u>
	Min	Mid	Max						
9023 - Housing & Community Develmt Rep I (Eff. 04-01-2016)				0.3	1.0	1.0	1.0	1.0	1.0
<b>Total Positions</b>				<b>0.3</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
Salaries and Wages	CY	BY	BY+1	BY+2	BY+3	BY+4			
9023 - Housing & Community Develmt Rep I (Eff. 04-01-2016)	16	65	65	65	65	65			65
<b>Total Salaries and Wages</b>	<b>\$16</b>	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>	<b>\$65</b>			<b>\$33</b>
Staff Benefits									
5150900 - Staff Benefits - Other	8	30	30	30	30	30			15
<b>Total Staff Benefits</b>	<b>\$8</b>	<b>\$30</b>	<b>\$30</b>	<b>\$30</b>	<b>\$30</b>	<b>\$30</b>			<b>\$15</b>
<b>Total Personal Services</b>	<b>\$24</b>	<b>\$95</b>	<b>\$95</b>	<b>\$95</b>	<b>\$95</b>	<b>\$95</b>			<b>\$48</b>

## **A. Budget Request Summary**

### **Summary of Request**

The Department of Housing and Community Development (HCD) requests an increase in federal budget authority of \$422,000 and one position through 2020-21 to administer the Community Development Block Grant Program for National Disaster Resiliency (CDBG-NDR) funding.

The position and augmented funding authority will enable HCD and partner agencies to carry out projects awarded to California under the National Disaster Resiliency Competition (NDRC). Local assistance awards are planned for the current year in order to meet the expenditure deadlines established by the U.S. Department of Housing and Urban Development (HUD) for this grant program.

HCD has submitted a Control Section 28.00 letter seeking authority to allocate these funds.

### **Business Problem**

HCD received an award from HUD of over \$70 million in CDBG-NDR funding for disaster recovery and resiliency work related to the 2013 Rim Fire. HCD will administer the award through the local government in Tuolumne County and the Sierra Nevada Conservancy. HCD has 24 months from the date a contract is executed with HUD to expend all project funds.

### **Source of Problem**

The 2013 Rim Fire was the largest fire in Sierra Nevada history and the third largest in the California, burning more than 257,000 acres and almost closing Yosemite National Park. The Rim Fire's impact on the Yosemite tourist industry alone cost the state at least \$70 million.<sup>1</sup> Estimated emergency response costs for the Rim Fire are \$127 million and environmental damage estimates range up to \$736 million. The state and its communities face infrastructure damage, significant negative economic impact, as well as complex and multifaceted environmental damages. The burned area created an enormous potential for catastrophic flooding and debris runoff from winter storms.

### **Proposed Solution**

Through the leadership of the Governor's Office of Policy and Research (OPR) and in collaboration with the California Environmental Protection Agency (CalEPA), California Natural Resources Agency, Business Consumer Services and Housing Agency, Department of Forestry and Fire Protection (CALFIRE), Sierra Nevada Conservancy (SNC), California Conservation Corps, Tuolumne County, and U.S. Forest Service, HCD was awarded \$70 million in competitive federal funding under the National Disaster Resiliency Competition. This funding will be used to implement the Community and Watershed Health Resiliency Program to address effects of the 2013 Rim Fire and provide a template to enable local communities to expedite recovery in future disasters.

Without additional funding authority or staff to accomplish the new workload associated with the CDBG-NDR activities, HCD will not be able to administer this program within the deadlines established by HUD.

## **B. Background/History**

Between 2011 and 2013, President Obama declared major disasters areas in more than 2,100 counties and 48 states, allocating billions for disaster recovery. The NDRC provided nearly \$1 billion in CDBG-NDR funds to help affected communities recover from these events and prepare to mitigate future risks. Funds were made available through the federal Disaster Relief Appropriations Act of 2013 (PL 113-2) for disaster recovery from major disasters declared under the Stafford Act (42 U.S.C. 4121 et seq.) in 2011, 2012, and 2013.

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<sup>1</sup> Office of the Governor letter to the President and FEMA dated 10/8/2013. Viewable online at [https://www.gov.ca.gov/docs/10.8\\_Letter\\_to\\_President.pdf](https://www.gov.ca.gov/docs/10.8_Letter_to_President.pdf)

HCD, as the state's CDBG administrator, was awarded \$70 million in CDBG-NDR funds to address damage and resiliency needs in Tuolumne County as a result of the 2013 Rim Fire. These funds will be used to fund an integrated, replicable model for community and watershed resilience, made up of three components:

- 1) **Forest and Watershed Health:** Thinning, biomass removal, restoration, and reforestation activities in the Rim Fire burn area. Given the likelihood of an uncertain future of drought, climate change, and wildfire, these activities are designed to improve forest and watershed health and resiliency against climatic disturbances.
- 2) **Integrated Biomass and Wood Products Facility:** This facility will provide clean power, cooling and heating, and a wood products facility to utilize biomass material removed from the impacted disaster area. The facility will serve the Rim Fire recovery area, and act as a regional facility to accept thinned biomass from Tuolumne and surrounding counties.
- 3) **Community Resilience Center:** Designed to increase community resilience, this facility will provide services during an emergency and also provide year-round services, including education and job training, to support forest and watershed work and the biomass facility. This facility will be a model for serving rural communities.

The federal CDBG program, which provides a wide range of community development benefits to communities, is the umbrella program under which the National Disaster Resiliency activities are structured. HCD has administered the CDBG program for non-entitlement jurisdictions since 1982, and has the systems in place to administer the CDBG-NDR funding.

This grant does not require state matching funds.

### **C. State Level Considerations**

Federal, state, and local financial aid previously made available for recovery efforts for the Rim Fire has proven insufficient to address all of the recovery needs. Additionally, recovery funds alone cannot address the hazards that put Californians who live in vulnerable areas in harm's way.

The SNC asserts that over 60 percent of the state's developed water comes from the forested watersheds, which are directly threatened in any forest fire.

The activities funded by CDBG-NDR will provide an evacuation center in Tuolumne County, rehabilitate and restore the forest and watershed, provide a facility to process the biomass impacted by the fire, and provide economic opportunities through jobs created by the recovery activities.

### **D. Justification**

Undertaking the work associated with the HUD's CDBG-NDR program is consistent with HCD's mission of creating resilient communities. Project goals are:

- Goal 1 – Improve forest and watershed health through the thinning and removal of biomass, restoration, and reforestation in the Rim Fire burn area.
- Goal 2 – Create a biomass and wood products facility to provide economic opportunities through jobs.
- Goal 3 – Create a community resilience facility that will provide services during an emergency, as well as year-round education and job training to support forest and watershed work and the biomass facility.

HCD is best prepared to administer the CDBG-NDR program for the following reasons:

- The work identified by HUD for this allocation is consistent with HCD's mission to provide leadership, policies, and programs to promote strong communities for all Californians.
- The CDBG-NDR program runs through the CDBG program, which means that processes are already in place for the administration of the program.
- Having administered CDBG Disaster Recovery funding for previous disasters, HCD has processes already in place to issue awards quickly and efficiently.
- The reporting system that the CDBG-NDR uses is the Disaster Recovery Grant Reporting (DRGR) system. HCD staff is trained and has experience with DRGR, due to previous experience with Disaster Recovery Initiative funding.
- The CDBG-NDR program has no impact on the General Fund because it does not require a match.
- If HCD is not authorized to administer and expend the funds, California's awarded funds will be reallocated by the HUD Secretary to other states/projects in need.
- CDBG-NDR funds must be fully obligated by September 30, 2017, and expended within 24 months of the obligation (award) date.

#### **E. Outcomes and Accountability**

The state must implement the federal Action Plan, and make the grant awards to Tuolumne County and SNC within a very short time frame after the receipt of the HUD award. These funds must be obligated by September 30, 2017. Funds not obligated for program grants by that date will be disencumbered by HUD. All obligated grants must be expended within two years of the execution of the grant agreement with HUD. Although the funds will be expended within two years from grant execution, HCD must continue to provide beneficiary data to HUD and ensure compliance with the terms of the Standard Agreement, including monitoring the completed projects. This oversight and monitoring window may extend to 2020-21, based on project completion.

HCD may, if necessary, request an extension of time from HUD to potentially permit an additional four years to expend funds. Any funds not expended by January 2022 will be disencumbered by HUD.

Progress in implementation of the grant and funding expenditures are to be reported quarterly to HUD for the life of the HUD/HCD agreement. See Attachment A for a proposed list of activities and workload hours for HCD's efforts under the CDBG-NDR program.

#### **F. Analysis of All Feasible Alternatives**

**Alternative 1:** Authorize HCD to add one position and increase federal authority expenditures by \$422,000 for state operations for the administration of the CDBG-NDR program.

**PROS:** The program will provide an integrated community and watershed resilience plan that is innovative and revenue-generating. The plan can be scaled and replicated for similar regions throughout California and the Western United States.

**CONS:** An increase in federal funding places additional workload requirements on HCD.

**Alternative 2:** Deny HCD's request to increase federal funds authority to administer the CDBG-NDR program.

**PROS:** No additional program workload for HCD.

**CONS:** If HCD were unable to provide the required oversight and reporting, it is at risk of losing the grant. Other states would receive California's awarded funds, leaving the critical work needed to restore watershed health and increase local disaster resilience in Tuolumne County unfunded. Tuolumne County's residents would remain without much needed evacuation centers when future fires and disasters strike. Not completing the work needed for resilience and recovery from the Rim Fire, which can serve as a model for other communities in California and the Western States, leaves the residents in Tuolumne County at risk and vulnerable to wildfires and having to seek other sources of funding for resilience and to recover losses, if it is available.

## **G. Implementation Plan**

OPR will continue as the programmatic/policy lead, but HCD will administer the CDBG-NDR program for which HCD proposes to add one position to perform job duties associated with the CDBG-NDR allocation for a period of six years to administer the approximately \$70 million grant.

HCD will work as the coordinating grant administrator between HUD, SNC, and Tuolumne County, which together will share the 5 percent administrative funding available under the grant. The \$3,517,973 allowable will be shared in the following manner:

- \$1,505,964 for HCD
- \$1,518,134 for SNC
- \$493,875 for Tuolumne County (awarded as Local Assistance)

HCD will hire a CDBG-NDR consultant that will provide technical assistance to HCD, SNC, Tuolumne County, and sub-grantees on all technical and compliance aspects of implementing the grant activities. The consultant will provide training on the CDBG-NDR processes and operations to ensure that by the end of the contract, the state and all grantees and sub-grantees will be proficient CDBG-NDR practitioners. Other than Tuolumne County and HCD, none of the grantees and sub-grantees have used CDBG funding and some have never used federal funding. Due to the strict timelines and federal requirements, it is essential that HCD hire a consultant to facilitate the CDBG-NDR program. See Attachment E for a preliminary scope of work for the proposed consultant.

HCD has submitted a Control Section 28.00 request for current year authority to award Tuolumne County \$19.3 million for the Resilience Center, and to expend \$49.6 million through an Interagency Agreement with SNC to implement the Forest and Watershed Health Program and to develop and implement the Biomass Facility and Wood Products Campus activity. Additionally, HCD will hire the external consultant and administratively establish a HCD Representative II position in the current year to begin coordinating activities between agencies.

SNC will consult or enter into an interagency agreement with CalEPA for the environmental and planning components of the projects. Additionally, SNC may contract with CALFIRE, U.S. Forest Service, and the California Conservation Corps, as well as Tuolumne County's Sheriff's Office, for the labor and actual implementation of the biomass removal projects. SNC is also submitting a Spring Finance Letter detailing their implementation plans.

Attachments B and C show the grant management structure and the overall program structure and activities within the state and partnering agencies. Attachment F is the HUD award letter.

Below is an estimated timeline of the proposed implementation plan:

- January 21, 2016: HUD award letter
- January 26, 2016: Release Request for Proposals for external consultant
- February 10, 2016: HCD submits SFL and Section 28 letter
- April 2016: Execute HUD Grant Agreement/receive CDBG-NDR funding

- April 2016: Action Plan due to HUD
- May 2016: HCD's Action Plan approved and accepted
- May 1, 2016: Execute agreement with external consultant
- May 1, 2016: Execute interagency agreement with SNC and Grant Agreement with Tuolumne County
- FY 2016-2021: Monitoring and mandatory reporting of project status, as required in HUD Agreement

## **H. Supplemental Information**

See Attachments A-F for further program detail:

- Attachment A – Activities and Workload Hours
- Attachments B and C – Program/Grant Management Structure
- Attachment D – Program Cost Estimator
- Attachment E – Consultant Scope of Work and Qualification Requirements
- Attachment F – HUD Award Letter

## **I. Recommendation**

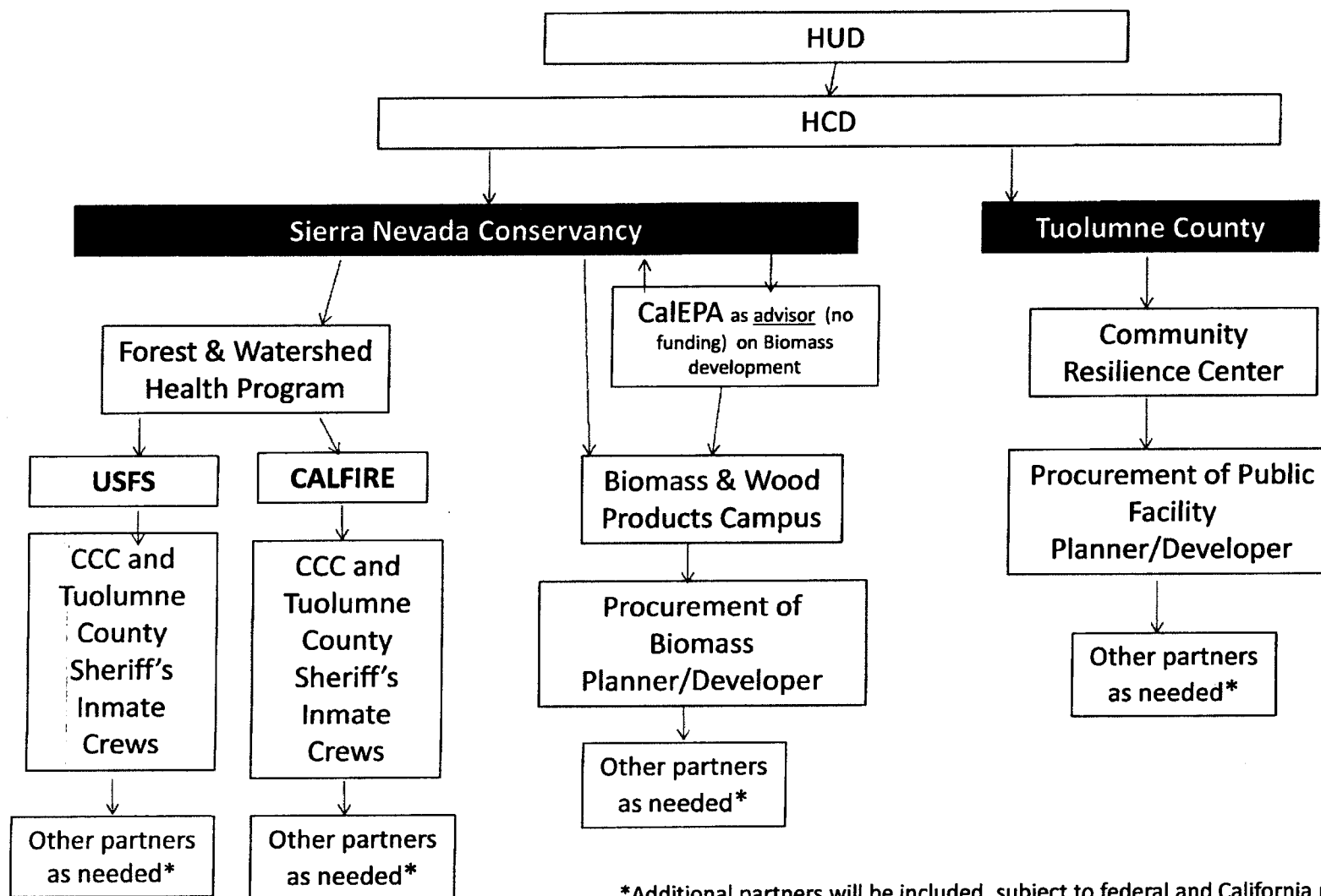
HCD recommends Alternative 1: Authorize HCD to add one position and to increase federal expenditure authority by \$422,000 in state operations to administer the CDBG-NDR Program. Program administration activities will continue through 2020-21.



## CDBG NDR WORKLOAD

2016-17 SFL #2  
ATTACHMENT A

<u>CDBG NDR Program Workload Calculation Estimates</u>	<u>Number of Activities</u>	<u>Hours per Activity</u>	<u>Total Workload</u>	<u>Workload 2015-16</u>	<u>Workload 2016-17</u>	<u>Workload 2017-18</u>	<u>Workload 2018-19</u>	<u>Workload 2019-20</u>	<u>Workload 2020-21</u>
<u>Workload Activity</u>			<u>Total Hours</u>	<u>Total Hours</u>	<u>Total Hours</u>	<u>Total Hours</u>	<u>Total Hours</u>	<u>Total Hours</u>	<u>Total Hours</u>
<b>1. Program Development</b>									
Make necessary corrections to the Substantial Amendment to Action Plan	1	80	80	80					
Review program design based on continuous HUD guidelines and make necessary adjustments	1	40	40	10	10	5	5	5	5
Develop and submit application for funding	1	160	160	160					
Development of Request for Proposals	1	20	20	20					
Create and conduct workshops (3 workshops)	3	24	72	72					
<b>2. Award Preparation</b>									
Revise and update application, criteria	1	40	40	40					
Database set up activities and fiscal accounts (CAPEX, Excel, DRGR) ( grants)	1	8	8	8					
<b>3. Program Operations</b>									
Prepare award packages and letters to legislature ( 4 grants)	4	4	16	16					
Update contract boilerplate with NDR requirements	1	40	40	40					
Prepare Standard Agreements (4 grants)	4	5	20	20					
Set up Program Files (4 grants)	4	4	16	16					
Annual Grant Mgmt. Workshops (preparation, Dry runs, travel, 1 workshop/yr x 6yrs)	6	20	120	20	20	20	20	20	20
Provide technical assistance incl fiscal (4 contracts x 75 calls/e-mails x 5 years)	1,500	1	1500	150	300	300	300	300	150
Review contract Special Conditions (environmental, bid packages, etc.) (5 grants)	5	20	100	20	20	20	20	10	10
Process payment requests (4 grants x 24/yr x 5 yrs)	480	2	960	0	192	192	192	192	192
Review quarterly performance Reports (4 grants x 4/yr x 5 yrs)	80	1.5	120	0	24	24	24	24	24
Enter quarterly Performance Reports into DRGR (4 grants x 4/yr x 5yrs)	800	2	1,600	25	350	350	350	325	200
Review grantees Single Audit packages, resolve findings (4 grants per year X 5 yrs)	20	8	160	0	40	40	40	20	20
Review + submit Sect. 3 + Labor Standards annual reports to HUD (4 grants x 5 yrs)	20	8	160	0	40	40	40	20	20
Program Correspondance w/ Fed. and State Auditors	1	60	60	5	10	10	10	15	10
Grant close-out package review (4 grants)	4	16	64					40	24
Conduct on-site compliance review (4 granteest)	4	80	320		67	66	67	60	60
<b>4. Program - Fiscal Money Management</b>									
Set up Fiscal Files (5 grants)	5	2	10	5	5				
Review and approve fund requests -- (4 grants x 24/yr x 5yrs)	480	3	1440		288	288	288	288	288
Process return of funds and interest payments -- (Est. 4/yr x 5 years)	20	4	80		16	16	16	16	16
Process encumbrances/disencumbrances -- (Est. 4/yr x 3 years)	12	4	48		10	10	10	10	8
Process Closeouts (4 grants)	4	10	40			10	10	20	10
Fiscal Correspondance w/ Fed. and State Auditors ( 2/yr x 5 yrs)	10	20	200		40	40	40	40	40
Reconcile NDR grants with Calstars monthly (12 recons/yr x 5 yrs)	60	25	1500		300	300	300	300	300
<b>5. Contract Amendments</b>									
Program - Review and process contract amendments (Est. 4 amendments total)	4	20	80		20	20	20	20	
Fiscal - Review and process contract amendments (Est. 4 amendments total)	4	10	40		10	10	10	10	
<b>6. Federal Reporting (Fiscal)</b>									
Review and input quarterly Financial and Accomplishment Reports (4 grants x 4/yr x 5yrs)	80	2	160		32	32	32	32	32
<b>7. Fiscal Compliance Review</b>									
Conduct Quarterly Fiscal Desk Reviews (4 grants x 4/yr x 5yrs)	80	2	160		32	32	32	32	32
Conduct on-site fiscal compliance review (4 grantees x one visit)	5	40	200		40	40	40	40	40
<b>Total Hours</b>			<b>9634</b>	<b>707</b>	<b>1866</b>	<b>1855</b>	<b>1866</b>	<b>1839</b>	<b>1501</b>
<b>Total PYS Requested</b>			<b>5.42</b>	<b>0.40</b>	<b>1.05</b>	<b>1.04</b>	<b>1.05</b>	<b>1.03</b>	<b>0.84</b>
<b>External Consultant Activities</b>									
Program Liaison (coordination with 5 other agencies 2 3-hr mtgs p/wk each X 5 yrs)	3,025	2	6050	600	2000	2000	1250	325	
<b>HCD Administrative Activities (Absorbing)</b>									
Legal Dept. - Review of Standard Agreement	3	10	30						
Legal Dept. - Review of Regulations and Guidelines	3	32	96						
Contracts Dept. - Review of Standard Agreement	3	8	24						
Budget Office - Technical Assistance - 1 hour per week per year	260	1	260		52	52	52	52	52
Accounting - Process 240 Draws @ .5hrs each	240	0.5	120		24	24	24	24	24
<b>Total Administrative Hours</b>			<b>530</b>		<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>



OPR -  
Integrated  
Climate  
Adaptation  
and  
Resilience  
Program –  
to be  
State's  
policy  
advisor  
across all  
projects

\*Additional partners will be included, subject to federal and California procurement rules.

# INTEGRATED CLIMATE ADAPTATION AND RESILIENCE PROGRAM

2016-17 SFL #2  
Attachment C

Other Local & Regional  
Adaptation Planning

Community & Watershed  
Resilience Program

CDBG-NDR TA Provider: Procurement Upon Award

Policy Lead: OPR/HCD

Fiscal Lead: HCD

## FOREST AND WATERSHED HEALTH

Oversee implementation of forest and watershed investments. Work with other work areas. Identify opportunities for similar investments in other watersheds.

Program Manager  
SNC

Agency Partners\*  
CAL FIRE, USFS, CCC

## BIOMASS AND WOOD PRODUCTS

Work with project team and partners to develop strategy for biomass/wood products facility. Integrate effort in State Bioenergy Working Group and other initiatives. Identify opportunities for replicability.

Program Manager  
SNC / CalEPA

Agency Partners\*  
USFS, Tuolumne County

## COMMUNITY RESILIENCE & ECONOMIC DEVELOPMENT

Build and develop Community Resilience Centers (CRC). Work with partners to develop programs and activities for the CRCs. Work across other program activities to boost economic development, job creation, and local capacity building.

Program Manager  
Tuolumne County

Partners\*  
Columbia College, CCC, TCEDA, USFS

\*Additional partners will be included, subject to California procurement rules. See text for discussion of subject matter experts consulted to date.

## Program Cost Estimator

**Prog:** Community Dev. Block Grant - National Disaster Resiliency

**Div:** Division of Financial Assistance

[illegible]

## NDRC Consultant Scope of Work and Qualification Requirements

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The technical assistance provider we are looking for must have specialized expertise in:

- State CDBG-Disaster Recovery program operation and administration.
- Implementing CDBG-DR capital projects in rural areas
- Public outreach and citizen engagement techniques in rural areas

Additionally, we are looking for a consultant to provide robust and accurate data, progress and outcome capture and reporting to HCD, which HCD then in turn must report to HUD. This will likely require the consultant have their own grants management system that our partners can access for data collection and reporting. Since all of the partners except Tuolumne County have never used CDBG funding before, ensuring the correct and accurate data is captured to satisfy our reporting requirements is critical.

### 1. PURPOSE AND DESCRIPTION OF SERVICES

#### A. Background

The Department of Housing and Community Development (HCD) has been awarded \$70,359,459.00 from the U.S. Department of Housing and Urban Development (HUD) for the federal Community Development Block Grant Program (CDBG) National Disaster Resilience (NDR) funding. The CDBG awarded activities include public facilities and public infrastructure projects.

HCD is soliciting an RFP from qualified organizations to assist with the administration of the NDR grant for a Community and Watershed Resilience Program pursuant to the NDR Competition (NDRC). Any agreement(s) resulting from this RFP will be subject to and based on HUD awarding HCD funding for NDR eligible projects. The contract term will be for a period of two years with the State option to extend for an additional year at the same rates.

#### B. Scope of Work

The selected Contractor will be responsible for increasing the capacity of the State of California related to NDR program administration and compliance by providing ongoing assistance to HCD staff assigned to the NDR program in the HCD offices in Sacramento, not less than 2.5 days per week, focused on:

- 1) Technical Assistance (TA) on reporting in HUD's Disaster Recovery Grant Reporting (DRGR) system, activity level concerns, program design and compliance.
- 2) TA and training in areas of eligible costs, eligible uses, beneficiary documentation and other NDR rules.
- 3) Training on best practices and procedures around tracking, reporting and documenting activity progress, especially as relates to State subgrantees.

- 4) Identification of opportunities for guided problem solving to increase staff knowledge of NDR implementation.

In addition, the selected Contractor will be responsible for providing ongoing, onsite TA to the State's NDR Grantees and any of their Contractors, not less than 2.5 days per week, focused on:

- 1) TA and training on compliance with all applicable existing, new or changed NDR federal, state, and program regulations/requirements.
- 2) TA and fiscal management support to ensure NDR funds remain within budget and expenditures are in compliance with NDR and Office of Budget and Management (OMB) requirements. The Contractor must ensure grantee fiscal records identify the specific use of CDBG-NDR funds by contract, activity, cost category, and project, including project expenditures paid with other funding sources and/or matching funds.
- 3) TA and training to Grantees and Contractors in the establishment and maintenance of NDR program administrative files in accordance with the HCD's requirements.
- 4) Ensuring Grantees and Contractors fully document any and all expenditures charged to the NDR program are eligible and complete (including invoices, timesheets, and other expenditure sources, as well as inspection reports) and meet the requirements outlined in the Grantee's NDR Standard Agreement.
- 5) TA and training to Grantees and Contractors in processes necessary to ensure all HCD-required data is gathered and accurately compiled into the appropriate reports and forms and submitted, as required by the Grantee's Standard Agreement.
- 6) TA and training to Grantees and Contractors to set up and maintain a grant reporting and filing system that meets State and federal CDBG-NDR guidelines, including the preparation, submission and maintenance of all financial, administrative and performance reports to HCD for submission HUD as required by the CDBG-NDR Program (i.e. monthly, quarterly, annual, accomplishment, close-out, etc.).
- 7) TA and training to Grantees in preparation of Requests for Funds, along with the HCD's Project Set Up/Completion Reports, to ensure all data required by HUD and HCD is collected and submitted to HCD correctly.
- 8) Ensure compliance with all applicable annual audits requirements, including the submission of documents to the State Controller's Office and the Federal Audit Clearinghouse.
- 9) Prepare and submit the required Standard Agreement close-out documentation (i.e. any Return of and/or Disencumbrance of Funds, Closeout Certification Form, evidence of public participation, etc.) to HCD.

## 2. QUALIFICATIONS AND PROPOSAL REQUIREMENTS

- A. Each proposal must be submitted in a format consistent with the following sections and include all supporting documentation, as applicable:
- 1) **Letter of Interest:** Summarize the Proposer's qualifications and provide details supporting at least 12 consecutive months of direct experience relevant to administering State CDBG-Disaster Recovery funding across multiple state agencies and rural local governments, the NDRC NOFA, CDBG-NDR Program, and expert level knowledge and experience with HUD's DRGR system. The Letter of Interest must be signed by either the Proposer's principal or an officer authorized to execute contracts or other similar document.
  - 2) **Past performance and record of successful completion of similar work:**
    - a) Provide historical quantifiable experience and success accomplished within the last five years with State CDBG-DR funding. (Indicate the periods of time, jurisdictions served, CDGB eligible activities carried out and program budget.) Provide a list of recent references and contact information for such work.
    - b) Provide evidence of all rural public facility and green public infrastructure activities including the amount of funding and type of assistance (one to five year history).
    - c) Provide evidence of experience in working in rural areas, and evidence of the Proposer's ability to conduct outreach to affected communities and populations (i.e., period of time outreach conducted, methodology, success rate).
    - d) Describe Proposer's compliance with program and fiscal audits, and respective results and resolutions to audit findings that have occurred in the past five years. As applicable, provide a copy of audit clearance letters that relate to audit findings and resolutions.
    - e) Identify partnerships with state, local or non-profit organizations in carrying out CDBG-DR activities (length of partnership, name of program, program budget amount, populations served, and dates of service).
    - f) Note any additional information useful in demonstrating successful results on prior federally funded public facility and/or public infrastructure projects.
    - g) List and document any State or Federal emergency/disaster program implementation experience.
  - 3) **Description of Proposer's ability to perform the required services across multiple State agencies:**

- a) Describe the proposed Grant implementation plan that includes the overall approach, including organization and work tasks necessary to accomplish the objectives.
- b) Describe the technology you will make available to the Grantees and/or sub grantees, for tracking and reporting all CDBG-NDR and federal requirements, including required reports from the Grantees to HCD. HCD's expectation is this technology will be in the form of a web-based grants management system that will also permit the complete creation of a paper file for monitoring purposes. Please provide examples of the system and its reports.
- c) Describe proposed methods of public outreach and engagement for project development planning to target beneficiaries.
- d) If it is the Proposer's intention to have any specific sub-category(ies) of the Scope of Service, as described in Section B of this RFP, performed by sub-contractor(s), identify the sub-contractor(s) anticipated for the sub-contract, indicate their specific role(s), and outline their experience on similar or related work.
- e) Describe Proposer's compliance process, including but not limited to technical support for federal overlay compliance, federal procurement procedures, compliance monitoring, HUD's Disaster Recovery Grant Reporting (DRGR) System proficiency and reporting experience.

**4) Appropriate Staffing**

- a) Describe and provide verification of consistent and substantial organizational State CDBG and/or State CDBG-DR activity experience within 2010 – 2015, at minimum.
- b) Provide resumes and an organizational chart of key personnel, who will be assigned to the Scope of Services, including any and all proposed sub-consultant(s), and detailing the specific role of each individual, including the following information:
  - The Project Manager responsible for Grant activity implementation;
  - The Fiscal Expert responsible for overseeing financial data input and reporting.
- c) Describe related services currently provided by the Proposer, geographic areas served, and the Proposer's ability to carry out the Program in the Sacramento area and Tuolumne County. *Proposer must have, or be able to have, onsite staff in the Sacramento metropolitan area and mid-Sierra Nevada foothills, including Auburn City and Tuolumne County, and the ability to frequently travel between Sacramento, Auburn and Tuolumne County for the duration of the Contract.*



**From:** Economic Resilience [<mailto:EconomicResilience@HUD.GOV>]

**Sent:** Thursday, January 21, 2016 12:24 PM

**To:** [ECONOMIC-RESILIENCE-L@HUDLIST.HUD.GOV](mailto:ECONOMIC-RESILIENCE-L@HUDLIST.HUD.GOV)

**Subject:** HUD AWARDS \$1 BILLION THROUGH NATIONAL DISASTER RESILIENCE COMPETITION

HUD No. 16-006

George I. Gonzalez

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<http://www.hud.gov/news/index.cfm>

FOR RELEASE

Thursday

January 21, 2016



### HUD AWARDS \$1 BILLION THROUGH NATIONAL DISASTER RESILIENCE COMPETITION

*13 states/communities to receive funding for resilient infrastructure and housing projects*

WASHINGTON – Today, U.S. Department of Housing and Urban Development (HUD) Secretary Julián Castro and the Rockefeller Foundation announced the winners of the \$1 billion National Disaster Resilience Competition (NDRC). Secretary Castro traveled to Norfolk, Virginia where he joined Governor Terry McAuliffe in announcing the winners of the competition. Through NDRC, HUD will provide funding for resilient housing and infrastructure projects to states and communities that were impacted by major disasters between 2011 and 2013.

The National Disaster Resilience Competition winners are:

States		Cities/Counties	
California	\$70,359,459	New York City	\$176,000,000
Connecticut	\$54,277,359	New Orleans	\$141,260,569
Iowa	\$96,887,177	Minot, ND	\$74,340,770
Louisiana	\$92,629,249	Shelby County, TN	\$60,445,163
New Jersey	\$15,000,000	Springfield, MA	\$17,056,880
New York	\$35,800,000		
Tennessee	\$44,502,374		
Virginia	\$120,549,000		

**Read a summary of each of the NDRC awardees above.**

"Climate change is real and we must think more seriously about how to plan for it," said HUD Secretary Julián Castro. The grants we award today, and the other sources of capital these grants will leverage, will make communities stronger, more resilient and better prepared for future natural disasters such as floods and wildfires. The National Disaster Resilience Competition exemplifies how government can work hand-in-hand with the philanthropic and private sectors to create lasting partnerships that will allow us to together face the challenges of tomorrow."

"The National Disaster Resilience Competition demonstrated where we are moving as a country, embracing resilience as a way to build a better future," said Dr. Judith Rodin, President of The Rockefeller Foundation. "The communities awarded funding through the Competition – and in fact all those that competed – today have a greater awareness of their vulnerabilities and strengths and what they need to do to be ready for whatever comes their way. This is the heart of resilience."

The competition took place in two phases, with final winners selected from **previously announced 40 states** and local communities designated as finalists. Finalists were then asked to submit specific projects that would advance their community's resilience plans. More than 25 federal agencies or offices, and 100 industry experts were involved in the implementation of the 16-month long competition.

NDRC is funded through Community Development Block Grant-Disaster Recovery (CDBG-DR) appropriations provided by the Disaster Relief Appropriations Act of 2013.

NDRC was developed in response to requests from state, local, and tribal leaders seeking to build resilience and better prepare their communities for the impacts of climate change, following the model of the Rebuild by Design Competition, and the recommendations of the Hurricane Sandy Rebuilding Task Force. The National Disaster Resilience Competition was designed to promote risk assessment, stakeholder engagement, and resilience planning in communities where the risks of disaster are projected to increase substantially due to climate change.

#### **Partnership with Rockefeller Foundation**

The Rockefeller Foundation worked closely with HUD and state and local governments to encourage and support a culture of resilience around disaster preparedness and planning in American communities. Through a companion effort, the Rockefeller Foundation provided targeted technical assistance to the applicants and supported a stakeholder-driven process, informed by the best available data, to identify recovery needs and innovative solutions. The strategic partnership between the Rockefeller Foundation and HUD drew on the successful strategies of the **Rebuild by Design** competition, where the Foundation provided lead support for administration of the competition and community engagement.

#### **Awardee Summaries**

##### **State of California:**

The State of California will receive \$70,359,459 in NDRC funding to pilot its Community and Watershed Resilience Program in Tuolumne County, which was severely affected by the 2013 wildfires. The Watershed Resilience Program will focus on supporting forest and watershed health, developing a bioenergy and wood products facility, and a community resilience center, which will create a long-term economically and environmentally sustainable program that can be replicated throughout the state.

##### **State of Connecticut:**

The State of Connecticut will receive \$54,277,359 in NDRC funding to support a pilot program in Bridgeport that is part of the State's broader Connecticut Connections Coastal Resilience Plan. The

Coastal Resilience Plan is focused on reconnecting and protecting economically-isolated coastal neighborhoods through investments in mixed green and gray infrastructure that protect against flooding while strengthening their connectivity to existing transportation nodes.

**State of Iowa:**

The State of Iowa will receive \$96,887,177 in NDRC funding to support the Iowa Watershed Approach, a holistic watershed-scale program designed to sustain its valuable agricultural economy while protecting vulnerable residents and communities. HUD funding will enable several watersheds to form Watershed Management Authorities, which will develop hydrological assessment and watershed plans, and implement pilot projects in the upper and lower watersheds, as well as invest in more resilient, healthy homes in Dubuque.

**State of Louisiana:**

The State of Louisiana will receive \$92,629,249 in NDRC funding to support its Louisiana Strategic Adaptations for Future Environments Program (LA SAFE). LA SAFE seeks to protect coastal wetlands in and around southeast Louisiana, retrofit communities to withstand increased flooding risk, and reshape high-ground areas to maximize their use and safety. The NDRC funds will also enable a tribal community on the Isle de Jean Charles, which has experienced a 98 percent loss of land to 1955, to relocate to a resilient and historically-contextual community.

**City of Minot, ND:**

The City of Minot will receive \$74,340,770 in NDRC funding to support its integrated approach to addressing climate change and recent upstream development that has increased the risk of frequent flooding. The City is launching a set of three integrated projects that will reduce flood risk and improve water management, build affordable and resilient neighborhoods connected to transit and job centers, and foster economic resilience through the creation of Centers for Technical Education.

**State of New Jersey:**

The State of New Jersey will receive \$15,000,000 in NDRC funding to support the creation of a Regional Resiliency Planning Grant Program that will help regions and communities that experience significant flooding to undergo a comprehensive planning process to identify and address vulnerabilities due to increased flooding risk, and for work with university partners to develop a toolkit of best practices for communities to assess their flooding risks and develop resilience building codes and plans.

**City of New Orleans:**

The City of New Orleans will receive \$141,260,569 in NDRC funding to enable the establishment of its first-ever Resilience District in the Gentilly neighborhood. HUD funding will support several integrated initiatives that include coastal restoration, workforce development, and creating parks and green streets that will turn the Gentilly neighborhood into a national model for retrofitting post-war suburban neighborhoods into resilient, safe and equitable communities of opportunity.

**City of New York:**

The City of New York will receive \$176,000,000 in NDRC funding to support the development of the Lower Manhattan Project and Connect Project which will construct a coastal protection system that will enhance the connection between neighborhoods, add green spaces and seating areas, and retail areas, and protect public housing projects that are vulnerable to storm surge and flooding.

**State of New York:**

The State of New York will receive \$35,800,000 in NDRC funding to support public housing resiliency pilots throughout the State. The State of New York will provide funding to public housing authorities to implement site-specific resiliency recommendations based on new resilient guidelines. This will enable the State to repair damage from recent disasters like Superstorm Sandy and Hurricane Irene and pilot new and innovative approaches to build resilience in low-income multifamily properties.

**Shelby County, TN:**

Shelby County will receive \$60,445,163 in NDRC funding to support the Greenprint for Resilience Project, which will build a network of green infrastructure projects that will increase resilience to future flooding while increasing amenities, such as trails and recreation areas, for area residents. In addition to relocating areas exposed to repetitive flooding, the Greenprint project will develop new floodplains and create wetlands and detention areas to create more storage for floodwaters.

**City of Springfield, MA:**

The City of Springfield will receive \$17,056,880 in NDRC funding to support the creation of an Urban Watershed Resilience Zone. The Resilience Zone will include economically-distressed neighborhoods, and will create an innovation and job training center, create a new program for property owners to restore affordable housing units, and the installation of a heat and power plant to provide non-grid energy to critical facilities in the event of power loss during a disaster.

**State of Tennessee:**

The State of Tennessee will receive \$44,502,374 in NDRC funding to support its Rural by Nature Initiative. The Initiative is a federal, state and local collaborative effort to create rural resilient communities along the Mississippi River. HUD funding will help with the restoration of two miles of degraded floodplain, the rehabilitation of a wastewater lagoon, and the creation of wetlands and recreation space.

**Commonwealth of Virginia:**

The Commonwealth of Virginia will receive \$120,549,000 in NDRC funding to support the Ohio Creek Watershed and the Coastal Resilience Laboratory and Accelerator Center (CRLAC). The Ohio Creek Watershed project will install a series of distributed green infrastructure projects such as rain barrels and rain gardens, and combine them with coastal shoreline development to address flooding due to storm surge and torrential rains. The CRLAC will create an economic development center that supports technical and organizational innovation to help businesses respond to climate change while ensuring access to and better management of water resources.

**[Read more about the first and second phases of the National Disaster Resilience Competition.](#)**

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